

IC 16-22-7

Chapter 7. Hospital Building Authorities in County With Hospital Operated Under IC 16-23-1

IC 16-22-7-1**Authority defined**

Sec. 1. As used in this chapter, "authority" means the hospital association created by section 5 of this chapter.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-2**Governing body defined**

Sec. 2. As used in this chapter, "governing body" means the county executive of a county or the legislative and fiscal body of a city.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-3**Net operating revenue defined**

Sec. 3. As used in this chapter, "net operating revenue" means the revenues of the hospital, exclusive of any property tax levy remaining after provision for reasonable expenses of operation, repair, replacements, and maintenance of the hospital.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-4**Recording officer defined**

Sec. 4. As used in this chapter, "recording officer" when used in reference to a county means the county auditor and when used in reference to a city means the city clerk or clerk-treasurer.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-5**Creation of authority; resolution**

Sec. 5. (a) In a county where a city hospital is operated under IC 16-23-1, the county executive may, upon written request of the governing board of the city hospital, adopt a resolution for the creation of an authority under this chapter.

(b) The adoption of a resolution creates an authority, which is a body corporate and politic to be known as the "_____ County Hospital Association". The authority is created for the purpose of financing, acquiring, constructing, equipping, and leasing to the county or the city in which the authority is created land and buildings for the use and benefit of the city hospital.

(c) The county auditor shall file a certified copy of the resolution with the judge of the circuit court of the county in which the authority is created.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-6

Governing board; appointment; terms

Sec. 6. (a) Not more than thirty (30) days after the adoption of the resolution, the county executive shall appoint five (5) residents of the county as the governing board of the hospital building authority. Written notice shall be sent to each appointee.

(b) The initial terms are as follows:

- (1) One (1) member for a term of one (1) year.
- (2) One (1) member for a term of two (2) years.
- (3) One (1) member for a term of three (3) years.
- (4) Two (2) members for a term of four (4) years.

(c) At the expiration of the term of a member, the county executive shall appoint a successor for a four (4) year term. Each member serves until a successor is appointed and qualified.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-7**Disqualification or removal of appointee; successor**

Sec. 7. If a member dies, resigns, ceases to be a resident of the county, or is removed, the county executive shall appoint another person as director for the remainder of the term. If a person appointed as a member fails to qualify not more than ten (10) days after the mailing of notice of appointment, the county executive shall appoint another person as member for that term.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-8**Oath of office of director**

Sec. 8. Each member, before entering upon the director's duties, shall take and subscribe an oath of office in the usual form to be endorsed upon the director's certificate of appointment. The oath shall be filed with the clerk of the circuit court.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-9**Removal of member from office**

Sec. 9. (a) A member of the governing board may be removed from office for neglect of duty, incompetency, inability to perform duties, or other good cause by an order of the circuit court in the county in which the authority is located, subject to the procedure in subsection (b).

(b) A complaint may be filed by any person against a member setting forth the charges preferred. The cause shall be placed on the advanced calendar and be tried as other civil causes are tried by the court without the intervention of a jury. If the charges are sustained, the court shall declare the office vacant. A change of venue from the judge shall be granted upon motion, but a change of venue from the county may not be taken.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-10

Meetings of the governing board

Sec. 10. (a) The governing board originally appointed shall hold an organizational meeting not more than thirty (30) days after appointment at a time and place designated by the judge of the circuit court. The governing board shall elect a president, vice president, secretary, and treasurer from among the members. The officers serve until the expiration of the first term to expire.

(b) The governing board shall meet annually to reorganize not more than thirty (30) days after the appointment of each successor member for a full term.

(c) Other regular and special meetings shall be held at the times and on the notice that the governing board determines by resolution or in accordance with the bylaws, rules, and regulations adopted.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-11

Bylaws, rules, and regulations

Sec. 11. The governing board may adopt bylaws, rules, and regulations to conduct proceedings, carry out duties, and safeguard the funds and property of the authority.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-12

Quorum; reimbursement of expenses

Sec. 12. A majority of the governing board constitutes a quorum and the concurrence of a majority is necessary to authorize any action. Members serve without pay but are entitled to reimbursement for expenses necessarily incurred in the performance of the members' duties.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-13

Conflicts of interest

Sec. 13. If a member of the governing board has any pecuniary interest in a contract, an employment, a purchase, or a sale made under this chapter, the director shall disclose that interest and shall not vote on the matter. If the member fails to disclose the interest, the transaction is voidable if a suit is filed in circuit court in not less than thirty (30) days.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-14

Preliminary expenses

Sec. 14. (a) All necessary preliminary expenses actually incurred by the governing board to make surveys, prepare estimates of cost and receipts, employ architects, engineers, attorneys, or other consultants, give notices, take options, and all other expenses necessary to be paid before the issue and delivery of bonds under this chapter may be paid by the:

- (1) city hospital or city, from funds on hand or derived from

taxes levied that may be appropriated for that purpose; or
(2) board of trustees or board of managers of the hospital from revenues available for such purposes.

(b) The city or the governing board of the hospital from which the payments are made shall be fully reimbursed by the governing board out of the first proceeds of the sale of bonds by the authority before any other disbursements are made.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-15

Authority to finance and construct hospital building

Sec. 15. The governing board of the authority may finance and construct a hospital building for use by the city hospital operating under IC 16-23-1, on land owned or leased by the authority as set forth in section 28 of this chapter, and lease the land and buildings to the county or city for the use and benefit of the city hospital in accordance with this chapter.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-16

Powers of governing board

Sec. 16. The governing board, acting in the name of the authority, may do the following:

(1) Sue and be sued and plead and be impleaded. Actions against the authority shall be brought in the circuit or superior courts of the county in which the authority is located.

(2) Condemn, appropriate, purchase, and hold real property needed or considered useful in connection with buildings constructed under this chapter.

(3) Acquire by gift, devise, or bequest real and personal property, and hold, use, expend, or dispose of the real and personal property for the purposes authorized by this chapter.

(4) Enter upon real property to survey or examine the real property and determine the location of a building.

(5) Design, order, contract for, and construct buildings and make improvements to the grounds and premises that are acquired.

(6) Enter into a lease with the county or city for the use and benefit of a city hospital operated under IC 16-23-1 and collect rentals payable under the lease.

(7) Make and enter into contracts and agreements necessary or incidental to the performance of the board's duties and the execution of the board's powers under this chapter.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-17

Leasing land and buildings for hospital

Sec. 17. The county or city may lease land and buildings from the authority for the city hospital. A lease on the buildings may not be entered into for more than forty (40) years but the lease may be

renewed for a like or lesser time.
As added by P.L.2-1993, SEC.5.

IC 16-22-7-18

Time for making leases

Sec. 18. The county or city may, in anticipation of the construction and erection of buildings, including necessary equipment and appurtenances, enter into a lease with the authority before the acquisition of a site and the construction and erection of the buildings. Rental payments under the lease may not begin until construction is completed and the building is ready for occupancy.
As added by P.L.2-1993, SEC.5.

IC 16-22-7-19

Source of lease rental payments

Sec. 19. (a) A lease from the authority to the county may provide for the payment of the lease rental from the levy of taxes reduced by net revenues of the hospital and other funds available as provided in section 37 of this chapter.

(b) A lease from the authority to the city may provide for the payment of lease rental from the net revenues of the hospital of which the buildings are a part.

(c) A lease from the authority to the city providing for the payment of a lease rental from net revenues of the hospital may provide that the board of trustees or board of directors of the hospital establish a reserve for net revenues in excess of the amount required to pay the lease rental payable from net revenues. The reserve fund may not exceed an amount equal to the amount of lease rental payable from net revenues for two (2) years. The reserve fund shall be held and used only for the purpose of paying lease rental payable from net revenues if the net revenues are insufficient for that purpose. The amount in the reserve fund may be invested as provided in the lease and all interest or other income from the investment becomes part of the reserve fund. If the fund contains the maximum amount the interest or income shall be transferred to the city hospital and be a part of the general revenues of that hospital.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-20

Cumulative building fund as lease rental payment source

Sec. 20. Part or all of the cumulative building fund of the city hospital in existence at the time of execution of the lease to the lessee, or during the term of the lease, may be used to pay lease rental or may be held as a reserve for the payment of future lease rentals. The reserve fund described in this section is distinct from a reserve fund established under section 19 of this chapter. The board of directors of the hospital may decrease or eliminate the reserve fund unless the lease provides otherwise. The reserve fund may not exceed an amount equal to the amount of lease rental payable from net revenues for two (2) years. Interest or income on the reserve fund

shall be transferred to the cumulative building fund of the city hospital.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-21

Notice and hearing on proposed lease

Sec. 21. (a) When the authority, the governing board of the hospital, the county executive, and the county fiscal body of the county or the city fiscal body have agreed on the terms and conditions of a proposed lease and before the final execution of the lease, the recording officer shall publish notice of a public hearing to be held in the county or city by the governing body of the proposed lessee. The hearing shall be held not earlier than ten (10) days after the date of publication of the notice. The notice must name the day, place, and hour of the hearing and must set forth a brief summary of the principal terms of the lease, including the character and location of the property to be leased, the lease rental to be paid, the lease term, and where the proposed lease, drawings, plans, specifications, and estimates may be examined.

(b) The proposed lease and the drawings, plans, specifications, and estimates of construction cost for the buildings are open to inspection by the public during the ten (10) days before the meeting and at the meeting.

(c) Interested persons are entitled to be heard at the meeting concerning the necessity for and fairness of the lease. The hearing may be adjourned to a later date and to a place fixed before adjournment.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-22

Authorization and execution of lease

Sec. 22. Following the hearing the governing body may authorize the execution of the lease as originally agreed upon or make modifications as agreed upon with the authority. Authorization shall be by ordinance, order, or resolution entered in the official record of the hospital governing board and the governing body. The lease shall be executed as follows:

- (1) On behalf of the county, by the county executive.
- (2) On behalf of the city, by the city executive and the recording officer.
- (3) On behalf of the city hospital, by the president or vice president and secretary of the governing board.
- (4) On behalf of the authority, by the president or vice president and secretary of the governing board.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-23

Notice of execution of lease; petition of objectors; presentment to department of local government finance

Sec. 23. (a) If execution of the original or modified lease is

authorized under section 38 of this chapter, notice of the signing shall be published.

(b) Ten (10) taxpayers in the county whose tax rate will be affected by the proposed lease and who believe the lease is unnecessary or the lease rental is not fair and reasonable may file a petition in the office of the county auditor not more than thirty (30) days after publication of notice of the execution of the lease, setting forth the objections and stating facts showing that the lease is unnecessary or unwise or that the lease rental is not fair and reasonable.

(c) On the filing of the petition, the county auditor shall immediately certify a copy, together with other data necessary to present the questions involved, to the department of local government finance.

As added by P.L.2-1993, SEC.5. Amended by P.L.90-2002, SEC.392.

IC 16-22-7-24

Notice and hearing on objections

Sec. 24. On receipt of the certified petition and information, the department of local government finance shall fix a time and place in the county for a hearing of the matter, which shall be not less than five (5) or more than fifteen (15) days after receipt of the certified petition and information. Notice of the hearing shall be given by the department of local government finance to the city hospital board and to the first ten (10) taxpayer petitioners on the petition by certified mail sent to the addresses listed on the petition, at least five (5) days before the date of the hearing.

As added by P.L.2-1993, SEC.5. Amended by P.L.90-2002, SEC.393.

IC 16-22-7-25

Time to contest or enjoin lease

Sec. 25. An action to contest the validity of the lease or to enjoin the performance of the terms and conditions of the lease may not be instituted later than thirty (30) days after publication of notice of the execution of the lease or, if an appeal is taken to the department of local government finance, not more than thirty (30) days after the decision of the board.

As added by P.L.2-1993, SEC.5. Amended by P.L.90-2002, SEC.394.

IC 16-22-7-26

Terms of lease

Sec. 26. (a) A lease may provide the lessee with an option to renew the lease, with approval of the board of directors of the city hospital, for a like or lesser term. The lease must contain an option for the city hospital to purchase at any time after ten (10) years from the execution of the lease and before the expiration of the lease on dates in each year fixed in the lease, at a price equal to the amount required to enable the authority to do the following:

- (1) Redeem all outstanding securities payable out of the rentals provided in the lease and all premiums payable on the

redemption and accrued and unpaid interest.

(2) Pay all other indebtedness and obligations of the authority attributable to the construction and leasing of the buildings, including the cost of liquidation of the authority.

(b) A lease may not create an obligation for the lessee or city hospital to purchase the leased buildings or create any obligation to creditors or bondholders of the authority.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-27

Issuance of bonds

Sec. 27. The county fiscal body may issue general obligation bonds to procure funds to purchase the building. The bonds shall be authorized, issued, and sold in accordance with the laws authorizing the issuance and sale of bonds for other county purposes.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-28

Approval of plans and specifications

Sec. 28. Before executing a lease, the governing board of the hospital shall approve the plans, specifications, and estimates of cost for the building, including equipment and appurtenances, that the authority proposes to lease to a lessee. The plans and specifications shall be submitted to and approved by the state department, office of the state fire marshal, and other state agencies designated by law to pass on plans and specifications for public buildings.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-29

Lease of land to authority by hospital, municipality, or county; option to purchase; price

Sec. 29. (a) The city hospital, city, or county desiring to erect buildings on land owned or acquired by the city hospital, city, or county may lease land to the authority for a nominal rental for the same period, including renewal periods, that the lessee proposes to lease the particular land or buildings to be constructed from the authority. The city hospital, city, or county may grant an option to the authority to purchase the land not more than six (6) months after the expiration of the lease from the authority on the land or buildings if the city hospital or lessee does not exercise an option to purchase the buildings within the terms of the lease. If the option price on the land is not fixed in the original lease, the price shall be determined by an appraisal made by three (3) disinterested freeholders residing in the county appointed by the judge of the circuit court.

(b) A lease of land by the city hospital, city, or county must be authorized by the city legislative body, the county executive, or governing board of the hospital, respectively, and a resolution, an order, or an ordinance must be entered in the official records of the governing body. Authorization may be given before or concurrently with the authorization of the lease from the authority to the lessee.

The authorization to lease land to the authority is contingent upon the authorization to lease land from the authority. The lease to the authority shall be executed on behalf of the following:

- (1) The city by the city executive and the recording officer.
- (2) The county by the county executive and auditor.
- (3) The authority by the president or vice president and secretary of the governing board.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-30

Sale of land to authority by hospital, municipality, or county

Sec. 30. (a) The city hospital, city, or county desiring to have buildings erected on land owned or acquired by the city hospital, city, or county may sell the land to the authority. Before the sale may take place, the legislative body of the city, the governing board of the hospital, or executive of the county having authorized the sale shall file a petition with the circuit court of the county requesting the appointment of three (3) disinterested freeholders of the county as appraisers to determine the fair market value of the land. Upon appointment, the appraisers shall fix the fair market value of the land and shall report not more than two (2) weeks after the date of the appraisers' appointment. The city hospital, city, or county may sell the land to the authority for an amount not less than the amount fixed as the fair market value by the appraisers. The amount may be paid from proceeds of bonds of the authority.

(b) The city legislative body must authorize the sale of land owned by the city by resolution or ordinance and the deed shall be executed by the city executive and city clerk.

(c) The governing board must authorize the sale of land owned by the city hospital by resolution and the deed shall be executed by the president or vice president and the secretary of the governing board.

(d) The county executive must authorize the sale of land owned by the county by resolution or order, and the deed shall be executed by the county executive and the county auditor.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-31

Issuance of revenue bonds by authority

Sec. 31. (a) The governing board may issue revenue bonds of the authority to procure funds for buildings to be built or acquired under this chapter and to repay advances for preliminary expenses. The bonds are payable from the income and revenues of the buildings financed from the proceeds of the bonds.

(b) The revenue bonds must be authorized by resolution of the board. The resolution must provide the following:

- (1) That the bonds bear interest, payable annually or semiannually.
- (2) The maturity dates of the bonds, which may not exceed the term of the lease of the buildings for which the bonds are issued.

(3) The terms of redemption, including a provision that bonds maturing after ten (10) years from the date of issuance are, at the option of the authority, redeemable before maturity at the bonds' par value together with premiums.

(4) The form of the bonds, including the interest coupons attached, if any.

(5) The denominations of the bonds.

(6) The places of payment of principal and interest, which shall be at least one (1) state or national bank or trust company.

(7) That the principal and interest may be paid in any lawful medium.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-32

Nature of revenue bonds

Sec. 32. The bonds are negotiable instruments under IC 26-1, and legal investments for private trust funds and the funds of any banks, trust companies, insurance companies, building and loan associations, credit unions, banks of discount and deposit, savings banks, loan and trust safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law. The bonds may be registered in the name of the owner as to principal alone.

As added by P.L.2-1993, SEC.5. Amended by P.L.42-1993, SEC.15.

IC 16-22-7-33

Execution of bonds

Sec. 33. The bonds shall be executed by signature or facsimile signature of the president of the governing board. The corporate seal of the authority or a facsimile shall be affixed and attested by the secretary. The interest coupons attached to the bonds shall be executed by facsimile signature of the treasurer.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-34

Terms of bond sale

Sec. 34. The bonds shall be sold by the board at public sale in the manner described under IC 5-1-11-3(c). However, the bonds may not be sold for less than the bonds' par value. Notice of sale shall be published in the manner required for bonds of a county. Any premium received from the sale of the bonds shall be used solely for the payment of principal and interest on the bonds.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-35

Disposition of bond proceeds

Sec. 35. The proceeds from bonds issued under this chapter, after reimbursement for preliminary expenses as provided in section 14 of

this chapter and payment for land, shall be applied to the payment of the costs of the buildings on account of which the bonds are issued, including incidental expenses and interest during construction. Until the proceeds are applied as required in this section, the proceeds are subject to a lien in favor of the bondholders or the trustees.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-36

Security for bonds; trust indenture

Sec. 36. (a) The governing board may secure the bonds by a trust indenture between the authority and a corporate trustee, which may be any trust company or national or state bank in Indiana having trust powers.

(b) The trust indenture may do the following:

(1) Mortgage all or part of the land or buildings, or both, for which the bonds are issued.

(2) Contain reasonable provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants concerning the following:

(A) Construction of the buildings.

(B) Insurance for the buildings.

(C) Custody, safeguarding, and application of all money.

(3) Set forth the rights and remedies of the bondholders and trustee.

(4) Restrict the individual right of action of bondholders.

(c) Except as restricted by this chapter, the governing board may determine by resolution or in the trust indenture the officer, board, or depository who shall have custody of the proceeds of the sale of bonds and the method of disbursement of the proceeds, including safeguards and restrictions.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-37

Tax levy for lease rental payments

Sec. 37. (a) The county fiscal body shall annually levy a tax sufficient to produce funds that, with other funds available, are sufficient to pay the lease rental provided to be paid from taxes.

(b) If the lease rental is payable from taxes, net revenues of the hospital of which the leased buildings are a part that are not required to be kept in reserve for additional construction, equipment, betterment, maintenance, or operation shall be transferred to a fund for the payment of the lease rental. To the extent that the transferred funds are insufficient to pay the lease rental, cumulative building funds reserved for lease rental payable from taxes under section 20 of this chapter shall be transferred.

(c) In fixing and determining the necessary levy to pay lease rentals payable from taxes, the county council shall consider the amounts transferred from the net revenues of the hospital and may appropriate and pay funds from any available sources, including revenues derived under IC 6-3.5. This subsection does not relieve the

county from the obligation to pay from taxes any lease rental payable from taxes if other funds are not available. The tax levies are reviewable by other bodies vested by law with the authority to ascertain that the levies are sufficient to meet the rental under the lease contract that is payable from taxes. The lease rental shall be paid semiannually to the authority.

(d) A lease by the authority to the county may not provide for rentals payable from the levy of a tax by a county unless the lease is approved by a majority vote of the county fiscal body.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-38

Lease rentals payable solely from hospital revenues

Sec. 38. (a) A city hospital that enters into a lease under this chapter under which the lease rental is payable solely from the net revenues of the hospital that contains the leased building shall covenant in the lease to establish and maintain rates, fees, and charges sufficient in each year to do the following:

- (1) Pay the proper and reasonable expense of operation, repair, replacements, and maintenance of the hospital.
- (2) Pay the lease rental.
- (3) Establish the reserve fund provided for in the lease in the full amount within not less than five (5) years.

(b) Revenues collected are revenues of the hospital. Rates, fees, and charges shall be increased as necessary to comply with this section.

(c) The authority may protect and enforce the rights granted under this chapter or under the lease and may enforce and compel performance of all duties required under this chapter or under the lease, including setting and collecting reasonable and sufficient rates, fees, and charges. If there is a failure to pay lease rental on the payment date named in the lease, any court having jurisdiction of the action may appoint a receiver to administer the hospital on behalf of the city and the authority. The receiver may charge and collect rates sufficient to do the following:

- (1) Pay the proper and reasonable expense of operation, repair, replacements, and maintenance of the hospital.
- (2) Pay the lease rental payable solely from the net revenues of the hospital.
- (3) Establish the full amount of reserve fund provided for in the lease within not less than five (5) years as may be provided in the lease.

(d) A lease by the authority may not provide for rentals payable from net revenues of the city hospital unless the lease is approved by a majority of the board of directors of the city hospital.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-39

Exemptions from state taxation

Sec. 39. The following are exempt from state taxation except the

financial institutions tax and the state inheritance tax:

- (1) All property owned by the authority.
- (2) All revenues of the authority.
- (3) All bonds or other securities issued by the authority and the interest on the bonds or other securities, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption at or before maturity and the interest on the proceeds.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-40

Audit of funds; bond of officers and employees

Sec. 40. The state board of accounts may supervise and audit the funds of the authority. Any officer or employee of the authority authorized to receive or disburse funds or negotiable securities of the authority shall execute a bond of a surety or guaranty corporation qualified to do business in Indiana and payable to the state in an amount determined by the board. The bond must be conditioned upon the faithful performance of the officer's or employee's duties and the accounting for all money and property under the officer's or employee's control. The cost of bonds shall be paid by the authority. The records of the authority are public records.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-41

Liquidation of authority

Sec. 41. An authority may be liquidated after redemption of the authority's securities, payment of the authority's debts, and termination of the authority's leases if the governing board files a report with the judge of the circuit court showing the facts and stating that liquidation is in the best public interest. If the court finds the facts, the court shall make an order book entry ordering the authority liquidated.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-42

Remodeling and additions to hospital

Sec. 42. (a) The governing board of the hospital may remodel or construct an addition to a hospital building leased by the hospital under this chapter.

(b) To provide funds for that purpose, the county may issue general obligation aid bonds or the city hospital or city may appropriate money from the city hospital's or city's general fund or other funds available for that purpose if the hospital building is owned by the city hospital or city. The governing board of the hospital may use any funds available to the board if the hospital building is owned by the city.

(c) A contract entered into under this chapter for a public work (as defined in IC 5-16-7-4) is subject to IC 5-16-7.

As added by P.L.2-1993, SEC.5.

IC 16-22-7-43**Party wall or other agreements for attaching additions**

Sec. 43. A city hospital, city, or county and an authority may enter into a party wall agreement or other agreements concerning the attaching of an addition to a hospital building. The agreements shall be recorded in the office of the recorder of the county in which the hospital building is located. The agreements may provide for an easement or a license to construct a part of an addition over or above the existing hospital building.

As added by P.L.2-1993, SEC.5.